

ZIEGLER CHEMICAL & MINERAL CORP. MO 41 043

600 PROSPECT AVENUE, PISCATAWAY, NEW JERSEY 08854

TEL.: 1-732-752-4111

FAX: 1-732-752-9477 • www.zieglerchemical.com

October 8, 2014

April A. Abate Environmental Scientist III State of Utah Department of Natural Resources Division of Oil, Gas, and Mining 1594 West Temple, Suite 1210 Salt Lake City, UT 84114-5801

DIV. OF OIL, GAS & MINING

Dear April,

Thank you for working with me to clear up the issues with our reclamation bonds. Attached are our responses to the 4 citations we received August 15, 2014.

Citation MN-2014-60-6 is for the 2103 annual report for the Neal mines is now complete.

Citation MN-2014-60-5 is for the 2013 annual report for the Harrison mine is now complete.

Citation MN-2014-60-3 is for the 2013 annual report and upgraded bond for the Tom Taylor mine. The annual report is enclosed, and per our discussion, the current reclamation bond is for the behalf of the BLM and does not list DOGM. We are having trouble getting this bond replaced. We have been slowly removing the items from this area, and should be able to be ready to seed the land in May of 2015 so that it can be removed from this bond and satisfy DOGM's concerns.

Citation MN-2014-60-4 is for the 2007-2013 annual reports and large mine plan for the area listed as Cowboy Bandana mine. The annual reports are enclosed. Based on our discussion, we plan to do an inventory of this property, remove the areas already reclaimed, and divide the bond up by mine. This is a large undertaking and we expect to need a few months' time of warm weather to accomplish the first stage. As we enter the winter, this will become increasingly difficult, so we request to set a completion date of the inventory and requests for changing the bonds to August 1, 2015.

Please let me know if this letter is sufficient to get extra time to correct the issues in these citations. I plan to travel to Utah October 20, can we meet to discuss?

Sincerely,

ZIEGLER CHEMICAL & MINERAL CORP.

President

Cc: L.T. Souren G.S. Ziegler, Jr.

DNR DIL GAS A MINING

Citation for Non-Compliance

Utah Minerals Regulatory Program
594 West North Temple, Salt Lake City, UT 84114

Citation #:	MN-2014-60-4
Permit Number:	M/047/0013
D	00/00/2014

1594 West North Temple, Salt Lake City, UT 8411 Phone: (801) 538-5340 Fax: (801) 359-3940			Г 84114	14			
				Date I	ssued:	08/08/2014	
✓ NOTICE OF VIOLA	TION	No.	CESSATION	ORDER	(CO)	FAILUR	E TO ABATE CO
Permittee Name: Zeigler Chemical				Inspector II	and Number:	April	Abate - 60
Mine Name: Cowboy Bandana	Mine			Date of Insp	ection:	~ n/	a
Certified Return Receipt Number: -	7011 2970 0	1000	8827 9327	Date and Ti	me of Service:	08/05/20	14 01:08 pm
Nature of condition, practice, or							
Failure to provide an update	d mine plan						
Failure to provide annual rep							
A Division Directive was se	nt to the ope	erato	r on April 16,	2014 requ	esting the ab	ove items.	
Provisions of Act, regulations, or	r permit viola	ted:					
R647-4-102-The Division m	av review t	he ne	ermit and requ	ire undated	l information	and modific	ations when
warranted.			1				
R647-4-121- Each operator	must file an	Ann	ual report of N	Mining Op	erations desc	cribing its ope	rations during the
nreceding calendar year	41 . 601			()1.1			
For Cessation Orders and Failure t							
This order require	res Cessai	non	of ALL m	ining ac	livities.		
This order requir	res Cessat	tion	of PORTIO	ON(S) o	f the mini	ng activitie	s.
Mining activities to be ceased							
Condition, practice, or vi	olation is crea	ting a	n	Pern	nittee/Operator	is/has been cond	ducting mining
imminent danger to healt	h or safety of	the pu	ıblic.	activ	ities without a	Permit.	
Condition, practice, or vi	olation is caus	ing o	r can	Perm	nittee has failed	I to abate Violat	ion included in
reasonably be expected to	cause signifi	cant,	imminent	Citation # within time for			within time for
environmental harm to la	nd, air, or wat	er res	ources.	abatement originally fixed or subsequently extended.			quently extended.
Abatement/corrective action	n(s) requir	ed (f	for all Citatio	ns):		Abatement	Times (if applicable)
Provide annual reports for ye						Annual rer	oorts 60 days -
Work with the Division to p			d mine plan.			10/8/2014	oris oo aays
A draft of the new mining			the new mining				
						plan by 12	/8/2014.
PHIP 7	26 VER			April A. A	Abate	,	
Permittee Representative (Print)	06000			OGM Represen	11	11	
110-01		10	1	7/	1001	/	26/4
Chit Zugla		18	119	Mil	1 cela	1	818114
Permittee Representative's Signature	Date	0.51	D	Nepresen	tative's Signature		Date '

1594 West North Temple - Suite 1210 Box 145801 Salt Lake City, Utah 84114-5801 Telephone: (801) 538-5291 Fax: (801) 359-3940

SMALL MINING OPERATIONS PROGRESS REPORT January 1, 20 07 to December 31, 20 07

1. Mine Permit Number: M/047/0013
2. Mine Name: Cowboy (A4)
Name of Operator/Permittee: Ziegler Chemical & Mineral Corp. Note: If Operator's address, company representative or phone number have changed, please provide a replacement part for the Notice of Intention together with form MR-REV available on the Division's web page at https://fs.ogm.utah.gov/pub/MINES/Minerals_Related/FORMS/MR-REV-SMO_EXP.pdf .
4. Report the gross amount of ore mined and waste moved.
Gross Ore Mined $\frac{0}{0}$ Tons, or $\frac{yd^3}{0}$ Waste Material Moved $\frac{0}{0}$ Tons, or $\frac{yd^3}{0}$
5. New disturbance created during the year Area reclaimed during the year Total Disturbed Area at the end of the year *The total disturbed area should not be greater than the permitted/bonded acreage.
6. Briefly describe the reclamation work performed during the past year. A map showing reclaimed areas and dates is suggested. There was no reclamation worked done in 2007.
I hereby certify the information provided in this report is true and correct to the best of my knowledge and belief.
Name (Typed or Print): Chip Ziegler
Title of Operator: President
Signature of Operator:
Date: August 29, 2014
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1594 West North Temple - Suite 1210 Box 145801 Salt Lake City, Utah 84114-5801 Telephone: (801) 538-5291 Fax: (801) 359-3940

SMALL MINING OPERATIONS PROGRESS REPORT January 1, 20 08 to December 31, 20 08

1.	Mine Permit Number: M	/047/0013				
2.	Mine Name: Cowboy	(A4)				
3.	Name of Operator/Permitt Note: If Operator's address, co	mpany representative of	or phone number hav	e changed, p	lease provide a repl	acement page
	for the Notice of Intention toge https://fs.ogm.utah.gov/pub/M					
4.	Report the gross amount of	f ore mined and v	waste moved.			
	Gross Ore Mined – Waste Material Moved –	Tons, o	r ——yd ³			
	Waste Material Moved -	Tons, o	r ——yd ³			
5.	New disturbance created of	uring the year		0	Acres	
	Area reclaimed during the	year		0	Acres	
	Total Disturbed Area at th	e end of the year		0	Acres*	
	*The total disturbed area s	•	iter than the per	mitted/bo	nded acreage.	
6.	Briefly describe the reclan	nation work perfo	rmed during the	e past year	r. A map show	ing
	reclaimed areas and dates	is suggested.				
	There was no recl	amation worke	ed done in	2008.		
	eby certify the information	provided in this	report is true a	nd corre	ct to the best o	f my
knowledge a	nd belief.					
	Name (Typed or Print):	Chip Ziegle	er			
	Title of Operator:	President		1	- 1	
	Signature of Operator:		/0	Must	Ziegles	
	Signature of Operator: Date:	August 29	, 2014		X	
pb				/ (9	
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SMALL MINING OPERATIONS PROGRESS REPORT January 1, 2009 to December 31, 2009

1.	Mine Permit Number: M.	/047/0013			
2.	Mine Name: Cowboy	(A4)			
3.	Note: If Operator's address, corfor the Notice of Intention toge	ee: Ziegler Chemica mpany representative or phone number ther with form MR-REV available on the NES/Minerals_Related/FORMS/MR-R	have changed, pl he Division's we	lease provide a replacement pag b page at	ge .
4.	Report the gross amount o	f ore mined and waste moved.			
	Gross Ore Mined – Waste Material Moved –	0 Tons, or ———————————————————————————————————	1 ³		
5.	New disturbance created d Area reclaimed during the Total Disturbed Area at th *The total disturbed area s	year	0 0 0 permitted/bor	Acres Acres Acres* aded acreage.	
6.	reclaimed areas and dates	nation work performed during is suggested. amation worked done in		A map showing	
I herel knowledge and		provided in this report is tru	e and correc	et to the best of my	
	Name (Typed or Print):	Chip Ziegler			
	T:41 CO	President	1.		
	Signature of Operator: Date:	August 29 2014	cup	Zieglis	_
pb O:\FORMS\reports\	MR-AR-SMO2011.doc	August 29, 2014			_

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SMALL MINING OPERATIONS PROGRESS REPORT January 1, 20 10 to December 31, 20 10

1.	Mine Permit Number: M	/047/0013		
2.	Mine Name: Cowboy	(A4)		
3.	Name of Operator/Permitt Note: If Operator's address, co.	ee: <u>Ziegler Chemical 8</u> mpany representative or phone number have	changed, please p	provide a replacement page
	for the Notice of Intention toge	ther with form MR-REV available on the Di NES/Minerals_Related/FORMS/MR-REV-S	vision's web page	at
4.	Report the gross amount o	f ore mined and waste moved.		
	Gross Ore Mined -	$\frac{89}{\text{Tons}}$, or $\frac{\text{yd}^3}{\text{yd}^3}$		
	Waste Material Moved —	Tons, or yd^3		
5.	New disturbance created d	luring the year	0 A	cres
	Area reclaimed during the	year	0 A	cres
	Total Disturbed Area at th	e end of the year	A	cres*
	*The total disturbed area s	should not be greater than the perm	nitted/bonded	acreage.
6.	Briefly describe the reclain reclaimed areas and dates	nation work performed during the is suggested.	past year. A	map showing
	There was no recla	amation worked done in 2	010.	
I hei acnowledge		provided in this report is true an	id correct to	the best of my
		Chip Ziegler		
	Name (Typed or Print):			
	Title of Operator:	President	1.00	atter
	Signature of Operator:	CV	y ze	ger
	Date:	August 29, 2014	10	/
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SMALL MINING OPERATIONS PROGRESS REPORT January 1, 20 11 to December 31, 20 11

1.	Mine Permit Number: M/047/0013
2.	Mine Name: Cowboy (A4)
3.	Name of Operator/Permittee: Ziegler Chemical & Mineral Corp. Note: If Operator's address, company representative or phone number have changed, please provide a replacement page for the Notice of Intention together with form MR-REV available on the Division's web page at https://fs.ogm.utah.gov/pub/MINES/Minerals Related/FORMS/MR-REV-SMO_EXP.pdf.
4.	Report the gross amount of ore mined and waste moved.
	Gross Ore Mined $\frac{85}{15}$ Tons, or $\frac{yd^3}{yd^3}$ Waste Material Moved $\frac{15}{15}$ Tons, or $\frac{yd^3}{yd^3}$
5.	New disturbance created during the year Area reclaimed during the year Total Disturbed Area at the end of the year *The total disturbed area should not be greater than the permitted/bonded acreage.
6.	Briefly describe the reclamation work performed during the past year. A map showing reclaimed areas and dates is suggested. There was no reclamation worked done in 2011.
I here knowledge an	by certify the information provided in this report is true and correct to the best of my d belief.
	Name (Typed or Print): Chip Ziegler Title of Operator: Signature of Operator: Date: August 29, 2014
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FORM MR-AR (Revised 12/2011) COPY

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple - Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940

SMALL MINING OPERATIONS PROGRESS REPORT January 1, 2012 to December 31, 2012

	Mine Permit Number: m/047/053
	Mine Name: Courban (Au)
	Name of Operator/Permittee: Zicaler Chemical & Mineral Corporation Note: If Operator's address, company representative or phone number have changed, please provide a replacement page for the Notice of Intention together with form MR-REV available on the Division's web page at https://fs.ogm.utah.gov/pub/MINES/Minerals Related/FORJAS/MR-REV-SMO_EXP.pdf
4	
	Gross Ore Mined 1)174.09 Tons, or ———————————————————————————————————
3	New disturbance created during the year Area reclaimed during the year Total Disturbed Area at the end of the year *The total disturbed area should not be greater than the permitted/bonded acreage.
6.	Briefly describe the reclamation work performed during the past year. A map showing reclaimed areas and dates is suggested.
	drilling process. These areas required minimal contouring.
11	ereby cortify the left.
knowledge	ereby certify the information provided in this report is true and correct to the best of my
	Name (Typed or Print): Ritchic Anderson Title of Operator: Mine Superintendent Signature of Operator
	Signature of Operator: Stehic andown Date: 2/4/13
pb	
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SMALL MINING OPERATIONS PROGRESS REPORT January 1, $20\frac{13}{13}$ to December 31, $20\frac{13}{13}$

1.	Mine Permit Number: M/047/0013
2.	Mine Name: Cowboy (A4)
3.	Name of Operator/Permittee: Zieqler Chemical & Mineral Corp. Note: If Operator's address, company representative or phone number have changed, please provide a replacement page for the Notice of Intention together with form MR-REV available on the Division's web page at https://fs.ogm.utah.gov/pub/MINES/Minerals_Related/FORMS/MR-REV-SMO_EXP.pdf .
4.	Report the gross amount of ore mined and waste moved.
	Gross Ore Mined 4.5 Tons, or ——yd ³ Waste Material Moved Tons, or ——yd ³
5.	New disturbance created during the year Area reclaimed during the year O Acres O Acres
	Total Disturbed Area at the end of the year Acres*
	*The total disturbed area should not be greater than the permitted/bonded acreage.
6.	Briefly describe the reclamation work performed during the past year. A map showing reclaimed areas and dates is suggested.
	There was little mining activity in 2013 due to required changes
	in equipment.
I herek knowledge and	by certify the information provided in this report is true and correct to the best of my l belief.
	Name (Typed or Print): Chip Ziegler
	Title of Operator: President
	Signature of Operator:
	Date: August 19, 2014
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